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ORGANIZATION AND FUNCTIONS
OF THE SOVIET TRADING AGENCIES
FOR OUTER MONGOLIA

Prepared By

Documents Branch

CENTRAL INTELLIGENCE GROUP

New War Department Building
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Washington, D. C.

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S U M M A R Y O F C O N T E N T S

Organization and Functions of the Soviet Trading Agencies for
Outer Mongolia
(Doc No 239771)

This is the complete translation of a 129-page Japanese document authorized by the North Manchuria Economic-Research Office, Harbin Railroad Bureau, South Manchurian Railroad, and dated 15 Mar 1937.

The preface was written by ISHIDA Kiyoshi, editor of the document, and is dated 4 Mar 1937. It presents a combination summary-evaluation and notes the primary sources.

The main body of the text is composed of six chapters which present: the development of the USSR's economic penetration of Outer Mongolia from 1924 to 1937; a table of organization of the Soviet trading agencies; and information on the status, functions, organization and supervisory authority of the various bureaus of agencies and, in detail, the articles of incorporation, organization and directories of the trading corporations under their control.

An appended map shows the distribution of USSR trading agencies in Outer Mongolia and adjacent areas.

Pages 1 through 56

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COMPLETE TRANSLATION

Doc No 239771

ORGANIZATION AND FUNCTIONS OF THE
SOVIET TRADING AGENCIES FOR OUTER MONGOLIA

North Manchuria Economic-Research Office
Harbin Railroad Bureau
South Manchuria Railroad
15 Mar 1937

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Distribution of Soviet Trading Agencies in Outer Mongolia and Adjacent Areas (map)

Editor's Note: Place names in capitals and followed by an asterisk are transliterations from the Japanese.

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PREFACE

Detailed information on Soviet trade relations with Mongolia--- the system of control; the type of organization; the functions, facilities and personnel of its organs; and the methods employed--- has not been available up to the present. It is felt that this study will prove valuable in supplying this information, and also in throwing considerable light on hitherto neglected subjects, namely, the present status of Soviet-Mongolian trade relations, the direction and trend of Soviet economic penetration into Outer Mongolia, and the foreign and domestic commerce of Outer Mongolia itself.

The most important part of this study is the data on the organization of the All-Union Soviet-Mongolia-Tuva Trading Corporation (Sovmongtutvorg) subsidiaries which are located at the following military highway bureaus: Borzya, Kyakhta, Chuya, Tunkin and Usinskoye. These subsidiaries are not mere subsections of a trading agency, but are transport agencies which hold a complete monopoly of transport facilities used by all Soviet trading agencies dealing with Mongolia. As such, they are important because they become the backbone of the Soviet-Mongolian military transportation system in time of war.

Next in importance is the data on the Mongolian agencies, oil dumps, distribution points and subdistribution points, etc., of the All-Union Soviet Petroleum and Petroleum-Products Export Corporation (Soyuznefteksport), the All-Union Soviet East Asiatic Livestock Import Corporation (Vostskotoimport) and other such agencies. With present reference materials, a number of place names in the above data cannot be identified. These place names may refer to newly established locations (or old locations with new names) and will therefore not be subject to identification until new references are available. The same holds true for the All-Union Soviet Wool-Procurement Corporation (Soyuzzagotshersty), which is under the jurisdiction of the People's Commissariat of Light Industry.

The sketch map appended to this study shows the distribution of Soviet trading agencies in Outer Mongolia and adjacent areas.

The primary source for this study is the Handbook of the People's Commissariat of Foreign Trade published in 1936 by the Publication Department of the People's Commissariat of Foreign Trade. Other references are: Digest of Important Matters of the Soviet Union, No 47, Research Department, Foreign Office [Japanese]; Soviet Foreign Trade, Publication Department, People's Commissariat of Foreign Trade, 1935; Modern Mongolia, Vol. I, Ulan Bator, 1934; and All Moscow, 1936.

ISHIDA Kiyoshi, Editor
North Manchuria Economic Research Office,
Harbin Railway Bureau,
South Manchurian Railway

4 Mar 1937

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I. THE DEVELOPMENT OF SOVIET TRADE POLICY TOWARDS OUTER MONGOLIA AND ITS ORGANS

Since the establishment in 1924 of the Soviet-dominated Mongolian People's Republic, the Soviet Union has utilized her close political connection with the Mongolian Republic gradually to force Chinese commercial interests from the Outer Mongolian market. Today the Soviet Union has a complete monopoly of Outer Mongolian foreign trade. Paralleling this development, Soviet trade policy towards Outer Mongolia has undergone a series of changes since its inception.

The first stage of Soviet economic policy was characterized by free trade. Freedom of commercial intercourse between the two countries was recognized "within the limitations imposed by the state's function of insuring the stability of the market and of controlling [the economy]."

Later this policy was changed to the so-called "net balance system." During this stage, Russian control of Outer Mongolian economy was strengthened on the one hand, and on the other hand Russian domination of the Outer Mongolian market grew through the activities of Soviet state-controlled economic agencies which replaced private entrepreneurs in Outer Mongolia. In 1927 all trading agencies in Outer Mongolia were consolidated to form the Soviet-Mongolian Trading Corporation (Stormong). This firm was organized to facilitate trade and was given expanded and strengthened economic functions. This marked the second stage in the development of Soviet commercial policy in Outer Mongolia.

At the end of 1930 when the Mongolian People's Republic placed its foreign trade under government control, the Soviet Union took a long step towards consolidating her commercial superiority in Outer Mongolia by placing all Outer Mongolian trade under the monopoly control of the All-Union Combine for Trade with East Asia (Vostgostorg) and thereby practically achieved her desire for complete control of the Outer Mongolian market.

In Nov 1930, the People's Commissariat of Soviet Union Trade was reorganized and an independent People's Commissariat of Foreign Trade was formed. Shortly thereafter, in Jan 1932, the All-Union Combine for Trade with East Asia (Vostgostorg) was reorganized to form the monopolistic All-Union Soviet-Mongolian-Tuva Trading Corporation (Sovmongtutvortorg). About the same time, six other trading corporations (see chapter II) were established. On 1 Dec 1934, a secret trade agreement was concluded between Mongolia and the Soviet Union, which marked the third stage of trade relations between the two countries. This agreement permitted the Soviet trading agencies to acquire complete control of the Outer Mongolian market and her economic destiny. This is the situation today.

Soviet commercial policy towards Outer Mongolia has thus undergone a number of superficial changes, but the basic policy--- to place Mongolian economy under Soviet control and to coordinate Mongolian economy with her own socialistic economy---

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has been consistent throughout. Politically, Outer Mongolia was Sovietized; Communism was used as a means to achieve the long-range end--the peaceful, economic penetration of Mongolia.

It is therefore important to have detailed information about the organization, objectives, facilities and command channels of the Soviet Union's trading agencies operating in Outer Mongolia. It is important as a key to the understanding of Outer Mongolia's foreign trade, which, with stock raising, is the backbone of her economy. It is important to the understanding of Outer Mongolia's domestic trade, which is inseparable from her foreign trade. It is also important to the understanding of the direction and trend of Soviet economic and political penetration into Outer Mongolia. This study presents a detailed description of the Soviet Union's trading agencies in Outer Mongolia based on new data.

II. TABLE OF ORGANIZATION OF SOVIET TRADING AGENCIES

A. People's Commissariat of Foreign Trade (Narcomvneshtorg)

1. East Asia Bureau

- a. All-Union Soviet-Mongolia-Tuva Trading Corporation (Sovmongtutvortorg)
Capital: 6 million rubles
Export, import and transportation
- b. All-Union Soviet Engine Export Corporation (Avtomotorekспорт)
Capital: 105,000 rubles
Automobile export
- c. All-Union Soviet East Asiatic Livestock Import Corporation (Vostskotoimport)
Capital: 100,000 rubles
Livestock import

2. Export Bureau

- a. All-Union Soviet Animal-By-products Trading Corporation (Raznoekспорт)
Capital: 3 million rubles
Animal-hide import
- b. All-Union Soviet Petroleum and Petroleum-Products Export Corporation (Soyuzneftekспорт)
Capital: 35 million rubles
Export

3. General Bureau for Wool and Fur (Glanpushuina)

All-Union Soviet Fur-Trading Corporation (Soyuzpushuina)
Capital: 150 million rubles
Fur import

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4. Department of Soviet Trade Representatives

Trade Representatives and the Office of the Department of Soviet Trade Representatives in Ulan Bator

5. General Bureau of Customs

Soviet Custom Offices on the Outer Mongolian Border

Solov'yevskoye Custom Office

Kyakhta Custom Office

Mondy Custom Office

Kosh Agach Custom Office

TASHIYANTA* Branch Office, Kosh Agach Custom Office

B. People's Commissariat of Light Industry

Woolen Cloth Bureau

All-Union Soviet Wool-Procurement Corporation (Soyuzzagot-shersty)

Sheep-wool import

III. THE EAST ASIA BUREAU AND TRADING CORPORATIONS
UNDER ITS CONTROL

Functions

The East Asia Bureau, which was established 22 Nov 1930 under the new administrative system, is one of the important bureaus of the People's Commissariat of Foreign Trade. The function of this bureau is to direct the activities of Soviet Union trading corporations in Outer Mongolia and in the Near East, and to direct the Soviet trade representatives in carrying out instructions of the People's Commissariat of Foreign Trade.

Organization

The East Asia Bureau consists of the Mongolia-Tuva section, the Iran section, the Iraq section, the Near East section (Turkey, Syria, Palestine, Egypt and other countries in the Red Sea region), the Sinkiang section and the Afghanistan section.

Supervisory Authority

Direct supervisory power over the East Asia Bureau is vested in S Z Eliyava, People's Commissar for Foreign Trade. Eliyava was responsible for the conclusion of the secret Soviet-Mongolian Trade Agreement signed 1 Dec 1934. In 1936 he went to Ulan Bator as a special envoy to the fifteenth anniversary of the Mongol People's Republic Revolution and made every effort to promote friendly relations between the Soviet Union and the Mongolian People's Republic. The chief of the East Asia Bureau is P I Kushner; his deputy is Ye G AROPECHIYAN*. A I Yegorov is the chief of the Mongolia-Tuva section.

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Soviet Trading Corporations under the Jurisdiction of the East Asia Bureau

Trading corporations in Mongolia under the East Asia Bureau are:

- A. The All-Union Soviet-Mongolia-Tuva Trading Corporation
- B. The All-Union Soviet Engine Export Corporation
- C. The All-Union East Asiatic Livestock Import Corporation

In addition, the kolkhoz which are under the military-highway bureaus of the Soviet-Mongolia-Tuva Trading Corporation, are under the direct control of the East Asia Bureau.

- A. The All-Union Soviet-Mongolia-Tuva Trading Corporation (Sovmongtvtorg)

The All-Union Soviet-Mongolia-Tuva Trading Corporation (Sovmongtvtorg) was established about 10 Jan 1932 with a capital of 6 million rubles. For all articles except petroleum products and automobiles, it is the sole exporting agency to Mongolia and Tannu Tuva. The USSR's intention to expand operations and markets in Outer Mongolia merits close observation. This corporation is the backbone, both in name and practice, of the Mongolian trade. It has offices at the military-highway bureaus at Borzya, Kyakhta, Chuya, Tunkin and Usinskoye. It maintains vehicles and serves as the sole transportation agent for the Soviet Union export and import trade. The farms and kolkhoz which belong to each military-highway bureau are under the control of the East Asia Bureau. Annual quotas and other matters are determined by the bureau. (Administrative Law No 638, People's Commissariat of Foreign Trade, dated 16 Oct 1934)

The chairman of the All-Union Soviet-Mongolia-Tuva Trading Corporation is S A Metsing; the vice-chairman is I A Vayman.

Articles of IncorporationSection 1. General Rules

Article 1. The All-Union Soviet-Mongolia-Tuva Trading Corporation (Sovmongtvtorg) /hereafter called the Corporation/, shall be the sole agency organized to engage in export and import trade between the Soviet Union and the Mongolian People's Republic and the Tuva People's Republic.

By-Laws. The Corporation shall assume all the unfinished business of commerce between the Mongolian People's Republic and the Tuva People's Republic and the Soviet Union handled by the All-Union Combine for Trade with East Asia (Vostgostorg), the incomplete balance of payments of Mongolian People's Republic and Tuva People's Republic as of 1 Nov 1932, and the entire inventory and assets belonging to the All-Union Combine for Trade with East Asia.

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Article 2. The Corporation, as an independent economic unit, shall enjoy the rights of a juridical person and shall operate for economic profit.

Article 3. The Corporation shall be responsible to the People's Commissariat of Foreign Trade. It shall execute the plans stated by the said commissariat and submit to its supervision.

Article 4. The Corporation shall be responsible for its operation and obligations with its own assets. Assets of the Corporation shall be disposed of pursuant to existing law. The Government shall not be responsible for the operation or any obligation of the Corporation.

The Corporation shall not be responsible for any claim or indemnity presented to any governmental agency or to any other organization.

Article 5. The head office of the Corporation shall be located in Moscow.

Article 6. The Corporation shall use its own distinctive seal.

Section 2. Functions

Article 7. To achieve the objectives set forth in the Articles of Incorporation, the Corporation shall perform the following functions:

a. The Corporation shall have the exclusive right to import commodities from the Soviet Union in behalf of Outer Mongolia and Tannu Tuva, and to export finished goods and raw materials from Outer Mongolia and Tannu Tuva to the Soviet Union. The Corporation shall distribute and sell in the Soviet Union the finished goods and raw materials imported from Outer Mongolia and Tannu Tuva.

b. The Corporation shall determine control figures [quotas] and plans and estimates for exports from the Soviet Union to Outer Mongolia and Tannu Tuva as well as imports from these two countries. Furthermore, the Corporation shall execute policies determined by the Corporation.

c. The Corporation shall study methods and execute plans to promote exports of its allocated commodities.

d. The Corporation shall supervise the Import Department and shall determine measures to co-ordinate operations.

e. The Corporation shall study and determine standards and specifications for commodities handled by the Export and Import Departments.

f. The Corporation shall publish statement of profits from operations. The Corporation shall formulate and execute plans to increase operating profits.

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g. The Corporation shall analyze the Outer Mongolia and Tannu Tuva markets. Furthermore, the Import and Export Departments shall study foreign trade procedures of other countries and formulate plans to offset /control/ measures taken by other countries.

h. The Corporation shall determine plans to control administrative and operating expenses incident to export to and import from Outer Mongolia and Tannu Tuva; and, furthermore, maintain economic and statistical data of all departments of foreign trade.

i. The Corporation shall be a state corporation and trust to produce goods for export to Outer Mongolia and Tannu Tuva. It shall be a warehousing and exporting agency to direct the storage, loading, unloading and transportation of exports from the Soviet Union to Outer Mongolia and Tannu Tuva and imports from these countries. It shall formulate production plans of these agencies. It shall advise on the amount of investment and construction by the exporting firms in these agencies.

Section 3. Authority of the Corporation

Article 8. The Corporation shall be granted, in accordance with existing laws, the following authority in order to perform business and economic functions:

a. The Corporation shall have the right to become a party to a contract and to engage in commerce and other lawful activities with any governmental office, commercial firm, and individual in the USSR or abroad. The Corporation shall have the right to sue and be sued.

b. The Corporation shall be permitted to organize or lease subsidiary companies in the performance of its functions.

c. The Corporation shall be permitted to establish branch stores, branch offices and agencies, and to participate with other corporations, companies and agencies in the performance of its functions. Such action, however, shall be subject to prior approval by the People's Commissariat of Foreign Trade.

Section 4. Capitalization

Article 9. The Corporation shall be capitalized at 6 million rubles. Any change in capital shall be made by order of the People's Commissariat of Foreign Trade with the concurrence of the People's Commissariat of Finance.

Section 5. Supervisory Bureau of the Corporation

Article 10. The People's Commissar for Foreign Trade, in accordance with the decisions made by the commissar and the chairman, shall appoint several vice-chairmen to supervise the

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operation of the Corporation. The chairman of the Corporation shall delegate duties to the vice-chairmen.

Article 11. The People's Commissar for Foreign Trade shall appoint, at the request of the chairman, one or more directors to exercise direct supervision over the operations of each department.

Article 12. The chairman shall be responsible for the operation and assets of the Corporation. He shall exercise control over all plans, operations and administration in the name of the Corporation. He shall direct all necessary transactions, actions and legal acts. He shall be permitted to negotiate directly with any governmental office, commercial firm or individual, with the exception of the supreme governmental organ.

The Corporation shall submit business, financial and operational plans, statements of debits and credits, and balance sheets to the People's Commissar for Foreign Trade for approval.

Article 13. The chairman, vice-chairmen and directors shall be permitted to act independently on all affairs and to execute contracts in the name of the Corporation. The vice-chairmen shall conduct business within the limits delegated by the chairman; while the directors shall act within the definition of the power of attorney granted by the chairman. The authority to sign power of attorney, delegating authority to act on contracts, bills of exchange, loans and similar matters relating to foreign trade, and delegating authority to issue and underwrite loans, shall be vested in and limited to two persons. Documents shall be signed jointly by the chairman, vice-chairman, and/or persons who are granted special power of attorney by the chairman.

Section 6. Balance Sheet and Disposition of Profits

Article 14. The business year of the corporation shall be from 1 Jan to 31 Dec.

Article 15. The balance sheet shall be prepared in the manner prescribed by law.

Article 16. Profits shall be disposed of in accordance with existing law.

Section 7. Dissolution of the Corporation

The procedure for the dissolution of this Corporation shall be decided by the People's Commissariat of Foreign Trade.

(Articles of incorporation were drawn up about 10 Jan 1932)

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Organization of Head OfficeBusiness Offices

All plans and operations of the All-Union Soviet-Mongolia-Tuva Trading Corporation are executed by the business offices, which include the following:

Industrial-goods business department
 Miscellaneous-goods export business department
 Import department (raw materials from the Tuva People's Republic)
 Supervisory bureau of national highways in areas adjacent to Outer Mongolia and Tannu Tuva

1. Functions of the Business Departments

a. Analyze orders placed by trading agencies in Mongolia and Tuva.

b. Arrange contracts with industry and allocate orders based on contracts.

c. Direct operations to assure prompt deliveries of orders and fulfillment of contracts.

d. Regulate shipments on basis of commodities delivered abroad and inventory in Russia. Inspect quality of merchandise and demand indemnity if the quality and/or packing is not up to specifications.

e. Accept invoice of shipment and settle accounts between distributor and purchasing agent.

f. Compute the cost of goods sold. Study methods to reduce miscellaneous costs of goods.

g. Inspect new articles exported to the Mongolian and the Tuva People's Republics and new items imported from the latter.

2. Functions of the Supervisory Bureau of National Highways in Areas Adjacent to Mongolia and Tuva

a. Formulates plans and supervises the highway transportation of goods to and from Mongolia and Tuva.

b. Operates buses and trucks on national highways.

c. Organizes and operates warehouses along national highways.

d. Engages in large construction work along national highways.

e. Promotes suburban farms along national highways and issues supplies to laborers.

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f. Formulates plans for labor and export-import transportation along national highways.

Planning Department

Functions:

- a. Prepares all reports. Formulates annual and quarterly quotas for goods to be received from industry and establishes annual and semiannual quotas for exports to Mongolia and Tuva and imports from the Tuva Republic.
- b. Records data on export shipments by goods and destination. Imports from the Tuva People's Republic according to plan.
- c. Formulates and reports plans for miscellaneous expenditure.
- d. Analyzes sales in Mongolia and Tuva.

Accounting Department

Functions:

- a. Formulates financial policy.
- b. Performs accounting service. Organizes accounting departments for the corporation. Prepares financial reports and balance sheets.
- c. Directs the accounting sections of the operations office and branch offices.

General Affairs Department

Functions:

Supervises administrative, economic, material and living conditions [of employees] of the corporation.

Directory of the Supervisory Bureau of the All-Union Soviet-Mongolia-Tuva Trading Corporation

1. Location: 5 Kalyayev Street, Moscow
Settlement bank: Bank for Foreign Trade (Vneshtorgbank)
Account No 79

2. Organization of Supervisory Bureau

Chief: S A Metsing
Assistant chief: I A Vayman

3. Personnel

- a. Corporation

Administrative personnel
Laborers

841
2,215
3,056

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b. Supervisory Bureau

Administrative personnel	93
Laborers	<u>9</u>
	102

4. The corporation operates five branch transportation companies on the highways leading to Mongolia and Tuva, namely, the Borzaya, Kyakhta, Tunkin, Chuya and Usinskoye National-Highway Transportation Companies.

a. Business Office of the Borzaya Military-Highway Bureau

Location: Borzaya, eastern Siberia
 Address: Borzaya National-Highway Bureau
 Operating base: the town of Solov'yevskoye
 Personnel:

Administrative personnel	45
Laborers	<u>132</u>
	177

Equipment:

Trucks	12
Total carrying capacity (metric tons)	68
Repair shop	1
Warehouse (in Borzaya)	1
Area (square meters)	3,400
Mess Hall	1
Dormitory	1
Capacity	75
Radio tower	1

Supply agencies for workers of the highway:

Store	1
Mess hall	1
Canteen	1
Employees	17

Management of suburban farms in Borzaya sector:

Farmland (hectares)	94
Hayfields (hectares)	400
Vegetable garden	
Hog pen	1
Hogs	31
Horse stable	1
Horses	34
Dairy animals	7

Farm equipment:

Truck	1
Farm tools	42

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b. Business Office of the Kyakhta Military-Highway Bureau

Location: Ulan Ude, eastern Siberia
 Address: Soviet-Mongolian Trading Corporation
 Operating base: Kyakhta
 Personnel:

Administrative personnel	112
Laborers	<u>235</u>
	347

Equipment:

Trucks	10
Total carrying capacity (metric tons)	50
Repair shops	2
Warehouses (in Ulan Ude)	1
Area (square meters)	1,248
Mess halls	4
Dormitory	1
Capacity	235
Radio tower	1

Supply agencies for workers on the highway:

Stores	3
Canteens	3
Temporary stores	3
Mess halls	3
Employees	<u>31</u>

Management of suburban farms in the Kyakhta sector:

Farmland (hectares)	278
Hayfields (hectares)	250
Vegetable garden	
Hogs	235
Horses	61
Dairy animals	66

Farm equipment:

Tractor	1
Farm tools	<u>70</u>

c. Business Office of the Tunkin Military-Highway Bureau

Location: Kultuk, eastern Siberia
 Address: All-Union Soviet-Mongolia-Tuva Trading Corp.
 Operating base: Turtu
 Personnel:

Administrative personnel	137
Laborers	<u>576</u>
	713

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Equipment:	
Trucks	75
Total carrying capacity (metric tons)	197.5
Repair shop	1
Warehouse (in Kultuk)	1
Area (square meters)	8,106
Mess halls	3
Dormitory	1
Capacity	73
Swimming pool	1
Club	1
Radio tower	1
Supply agencies for workers on the highway:	
Stores	6
Mess halls	3
Canteens	3
Employees	100
Management of suburban farms in the Tunkin sector:	
Farmland (hectares)	240
Hayfields (hectares)	450
Vegetable garden	
Hogs	48
Horses	17
Dairy animals	47
Farm equipment:	
Tractors	4
Farm tools	62
d. Business Office of the Chuya Military-Highway Bureau	
Location: Bisk, western Siberia	
Address: All-Union Soviet-Mongolia-Tuva	
Trading Corp	
Operating base: Tsaagan Nuur	
Personnel:	
Administrative personnel	221
Laborers	<u>1,019</u>
	1,240
Equipment:	
Trucks	79
Total carrying capacity (metric tons)	465
Repair shops	2
Warehouse (in Bisk)	1
Area (square meters)	5,580

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Mess halls	5
Swimming pool	1
Clinic	1
Club	1
Radio tower	1

Supply agencies for workers on the highway:

Stores	13
Temporary store	1
Mess halls	10
Canteens	3
Employees	125

Management of suburban farms in the Bisk sector:

Farmland (hectares)	1,284
Hayfields (hectares)	1,400
Vegetable gardens (hectares)	183
Hogs	478
Horses	265
Dairy animals	312

Farm equipment:

Tractors	5
Farm tools	287

e. Business Office of the Usinskoye Military-Highway Bureau

Location: 22 SHITABUNAYA* Street, Minusinsk

Address: All-Union Soviet-Mongolia-Tuva Trading Corp

Personnel:

Administrative personnel	137
Laborers	<u>452</u>
	589

Equipment:

Trucks	96
Total carrying capacity (metric tons)	255.5
Passenger car	1
Motorcycles	3
Repair shop	1
Prime mover (60 horse power)	1
Warehouses	
Abakan station, Tomsk Railroad	4
Minusinsk	5
Nogranichnaya	1
Horses	10
Mess halls	5
Dormitory	1

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Supply agencies for workers on the highway:

Shops	2
Canteens	5
Mess halls	5
Laborers	10,410
Employees	73

State farms (sovkhoz) under the bureau:

Farmland (hectares)	860
Equipment, farming tools	
Livestock (head)	42
Pack horses	101
Laborers	185

NOTE: Although there were errors in the statistics on employees in the supervisory bureau and in all branch offices, no attempt has been made to correct them.

B. The All-Union Soviet Engine Export Corporation (Avtomotoreksport)

The predecessor of the All-Union Soviet Engine Export Corporation (Avtomotoreksport) was the Automobile Export Corporation (Avtoeksport) under the Industrial-Equipment Export Corporation (Technoproeksport). When the All-Union Soviet Engine Export Corporation was organized, it took over the assets and business of the Automobile Export Corporation as of 1 Jan 1934. It is capitalized at 105,000 rubles.

The purpose of the corporation is to be sole exporting agency for Soviet Union automobiles, engines and aviation equipment. The USSR's export policy is directed to dominate the world market for engines, airplanes and particularly automobiles. The outstanding characteristic of the firm is that it does not transact business with trading firms in Mongolia, but deals directly through its own agencies in Mongolia.

The chairman of the corporation is N I Blasov; and the vice-chairman, S A Nezhel'.

Articles of IncorporationSection 1. General Rules

Article 1. The All-Union Soviet Engine Export Corporation [hereafter called the Corporation] shall be organized to have a monopoly of exporting automobiles, engines and aviation equipment and to sell these goods in foreign markets.

By Law: The Corporation shall assume all the functions and authority of the Automobile Export Corporation under the Industrial-Equipment Export Corporation, also the entire operations, assets and liabilities as of 1 Jan 1934.

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Article 2. The Corporation shall be an independent economic unit and shall enjoy the rights of a juridical person. The Corporation shall operate for profit.

Article 3. The Corporation shall be directly responsible to the People's Commissariat of Foreign Trade and shall act on instructions of the People's Commissar for Foreign Trade.

Article 4. The Corporation shall be responsible for its operations and obligations with its own assets. Disposition of assets shall be made in accordance with existing law. The government shall not be responsible for the operation or obligations of the corporation. The Corporation shall not be responsible for any claim of indemnity of the national government, governmental agencies, or any other organization.

Article 5. The head office of the Corporation shall be located in Moscow.

Article 6. The Corporation shall use a seal bearing its own name.

Section 2. Functions.

Article 7. The Corporation shall perform the following functions in order to achieve the objectives stated in the articles:

a. The Corporation shall act in a monopolistic capacity in the export and sale in foreign markets of commodities under its control, whether the transactions are on its own account or for the account of other companies or governmental agencies. The Corporation shall be permitted to conclude agreements with commercial firms abroad.

b. The Corporation shall formulate and execute control figures and export plans for its allocated commodities.

c. The Corporation shall formulate and execute plans to improve the quality and to increase the quantity of exports of goods under its control.

d. The Corporation shall direct each department to inspect the quality of commodities, catalogue and specifications, and co-ordinate the operations of these departments.

e. The Corporation shall analyze the trends in foreign markets, study developments in production and commercial procedures of foreign countries, and adopt successful experiments of other countries.

f. The Corporation shall publish margins on goods under its control. It shall formulate and execute plans to increase the profit margin.

g. The Corporation shall study methods to standardize exporting and miscellaneous expenses. It shall collect economic and statistical data on foreign trade.

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Section 3. Authority of the Corporation

Article 8. The Corporation shall be granted, under the existing law, the following authorities to perform its business and economic functions as prescribed in article 7:

a. The Corporation shall have the right to execute contracts, commercial transactions and legal acts, including loans and bills of exchange with any governmental office, agency, company and/or individual in the USSR or abroad. It shall have the right to sue and be sued.

b. The Corporation shall have the right to establish, lease or rent subsidiary companies in the proper performance of its functions.

c. The Corporation shall have the right to establish branch stores, branch offices, agencies, warehouses and distribution points. Furthermore, it shall have the right to join agencies, companies and other corporations in the interest of the Corporation. The above steps shall be subject to prior approval from the People's Commissariat of Foreign Trade.

Section 4. Capitalization

Article 9. The authorized capital of the Corporation shall be 105,000 rubles. Any change in capital shall be made by order of the People's Commissariat of Foreign Trade with the concurrence of the People's Commissariat of Finance.

Section 5. Supervisory Organ

Article 10. The People's Commissar for Foreign Trade shall appoint a chairman and vice-chairmen to supervise operation of the Corporation. The chairman shall delegate responsibilities to the vice-chairmen.

Article 11. The chairman shall be responsible for the operations and assets of the Corporation. He shall exercise control on plans, operations and administration in the name of the corporation. He shall direct all important transactions, actions and legal acts. He shall be permitted to negotiate directly with any governmental office, commercial firm or individual, with the exception of the supreme governmental organ.

The Corporation shall submit financial and operational plans, budget, balance sheet, financial report, etc., to the People's Commissariat of Foreign Trade for approval.

Article 12. The chairman and vice-chairmen shall perform, within the limit of their authority, all acts and transactions in the name of the Corporation. The duties of the vice-chairmen shall be assumed by a responsible person, if power of attorney is granted by the chairman. The power of attorney granting authority to execute foreign-trade contracts, foreign exchange and credits and to issue and accept bills of exchange and loans shall be signed by two authorized persons. Persons who are

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authorized to affix signatures shall be the chairman, vice-chairmen and individuals granted such authority by the chairman with the consent of the vice-chairmen.

Section 6. Reports and Disposition of Profits

Article 13. The business year of the Corporation shall be from 1 Jan to 31 Dec.

Article 14. Reports and balance sheets shall be prepared and certified in the manner prescribed by law.

Article 15. The disposition of profits shall be made as prescribed by law.

Section 7. Dissolution

Article 16. The procedure for dissolution shall be determined by the People's Commissariat of Foreign Trade.

Organization of Head Office

Business Offices

All plans and operations of the All-Union Soviet Engine Export Corporation are executed by the business offices, which include the following:

Automobile business department
Motor business department

Each department has its own accounting section.

Functions of the Business Departments

1. Formulate sales plans for commodities sold abroad on the basis of export plans, consignors and countries.
2. Guarantee profits from operations according to plans.
3. Determine standards of export commodity. Accept goods from manufacturers. Supervise the performance of contracts. Inspect the quality of finished goods. Make settlements with industry.
4. Direct operations in foreign markets. Facilitate cash transactions. Conclude contracts with foreign commercial firms. Direct export and re-export program of distribution points near international border and business offices located abroad.
5. Check to see that all export commodities are ready on time. Supervise transportation and storage of export commodities. Record commodities received. Conclude sales contracts and institute indemnity claims. Supervise the performance of contracts with foreign distributors and firms. Perform administrative functions.
6. Formulate plans to minimize miscellaneous expenditures.

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7. Supervise the enforcement of currency regulations.
8. Analyze market conditions and prepare reports of market activities.
9. Inspect new export commodities.

Finance Department

Functions:

Directs bank accounting. Formulates general plans. Directs accounting of foreign branches and branch auditing offices. Prepares balance sheet and general report of the corporation.

Administrative and Economics Department

Functions:

Directs administrative and economic affairs of the corporation.

By-Laws

An adviser shall be appointed to assist the chairman in the formulation of general policy.

The chairman and chief of sections shall be responsible for the enforcement of instructions from the staff, supreme governmental organs, and the People's Commissariat of Foreign Trade.

Directory of the All-Union Soviet Engine Export Corporation

1. Location: 8 Gogrevskiy Boulevard, Moscow
Telephone: 2-97-51, 2-92-67, 4-31-67
Cable address: BELTOREI*
Settlement bank: Vneshtorgbank, Account No 73

2. Organization of the Head Office

Chairman: N I Blagov
Vice-chairman: N /sic/ A Nezhel'

3. Personnel

a. Corporation

Administrative personnel 48
Laborers 5

53

b. Head Office

Administrative personnel 38
Laborers 5

43

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c. Regional employees (5 are abroad)

10

4. The Corporation maintains four exclusive representative departments in the Soviet Union and three abroad:

a. In the Soviet Union

Baku exclusive representative department
 Ayaguz exclusive representative department
 Kushini exclusive representative department
 Odessa exclusive representative department

b. Abroad

Sinkiang exclusive representative department
 Mongolia exclusive representative department
 Iran exclusive representative department

C. The All-Union Soviet East Asiatic Livestock Import Corporation (Vostskotoimport)

The All-Union Soviet East Asiatic Livestock Import Corporation (Vostskotoimport) was organized 16 Dec 1934 with a capital of 100,000 rubles. The Corporation is the sole importing agency for livestock and meat from Mongolia, Tuva, Sinkiang, Turkey and other countries in the Near East. Mongolian trade is handled by the Mongolia-Tuva section, the most important section of the Corporation. The special business department of the Department of Soviet Trade Representatives and six stockyards are located in Ulan Bator. There are six veterinary stations. There are also four horse-trading centers. The USSR imports about 100 percent of meat exports from Outer Mongolia. The chairman of the Corporation is N K Ananchenko, and the vice-chairman is A D Petron.

Articles of Incorporation

Section 1. General Rules

Article 1. The All-Union Soviet East Asiatic Livestock Import Corporation hereafter called the Corporation shall be the sole agency organized to import into the USSR livestock and meat products from all east Asiatic countries.

Article 2. The Corporation shall be an independent economic unit and shall enjoy the rights of a juridical person. It shall operate for profit.

Article 3. The Corporation shall be responsible to the People's Commissar for Foreign Trade and shall act on his instructions. It shall submit to the People's Commissariat of Foreign Trade for supervision.

Article 4. The Corporation shall be responsible for its operations and obligations with its own assets. Disposition of assets shall be made in accordance with existing law. The national government shall not be responsible for the operation or obligation of the Corporation. The Corporation shall not be responsible for any claim

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of indemnity made to the national government, governmental agencies or other organizations.

Article 5. The head office of the Corporation shall be located in Moscow.

Article 6. The Corporation shall use a seal bearing its own name.

Section 2. Functions

Article 7. The Corporation shall perform the following functions to achieve the objectives set forth in the Articles:

- a. The Corporation shall be the exclusive import agency for livestock and meat products.
- b. The Corporation shall formulate operational plans and control figures on imports of livestock and meat products from the east Asiatic countries. Furthermore, the Corporation shall execute these plans in compliance with the decision of the Corporation.
- c. The Corporation shall formulate and execute plans to co-ordinate and regulate imports of livestock and meat products.
- d. The Corporation shall formulate and conclude contracts for the import of livestock and meat products with agencies concerned.
- e. The Corporation shall analyze livestock and meat products in foreign markets.
- f. The Corporation shall formulate and execute plans for the formation of a staff to supervise the import of livestock and meat products.
- g. The Corporation shall formulate plans to control administrative and operating expenses incident to operations and shall maintain economic and statistical data of all departments.

Section 3. Authority of the Corporation

Article 8. The Corporation shall be granted the following authorities under the existing law in order to perform business and economic functions as prescribed in Article 7:

- a. The Corporation shall be permitted to become a party to contracts, and to engage in trade and other lawful acts, including credits and bills of exchange with any government office, agency, firm or individual in the USSR or abroad. It shall have the right to sue and be sued.
- b. The Corporation shall be permitted to establish branch stores, branch offices, agencies, warehouses and distribution points, and to participate with other corpora-

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tions, companies and agencies in the performance of its functions. Such authorization shall be subject to prior approval from the People's Commissariat of Foreign Trade.

c. The Corporation shall be permitted to establish, lease and/or rent subsidiary companies in the performance of its functions.

Section 4. Capitalization

Article 9. The authorized capital of the Corporation shall be 100,000 rubles. Any change in capital shall be made by order of the People's Commissariat of Foreign Trade with the concurrence of the People's Commissariat of Finance.

Section 5. Supervisory Organ

Article 10. The People's Commissariat of Foreign Trade shall appoint a chairman and several vice-chairmen to supervise the operation of the corporation. The chairman shall delegate the duties of the vice-chairmen.

Article 11. The chairman shall be responsible for the operation and assets of the Corporation. He shall exercise control over all plans, operations and administration in the name of the Corporation. He shall direct all important transactions and legal actions. He shall be permitted to negotiate directly with any governmental office, commercial firm or individual, with the exception of the supreme governmental organ.

The Corporation shall submit trade, financial and business plans; budget; balance sheets; and other reports to the People's Commissariat of Foreign Trade for approval.

Article 12. The chairman and vice-chairmen, within the limits of authority granted by the chairman, shall be permitted to act independently on all affairs of the Corporation and to execute contracts in the name of the Corporation. The authority to sign power of attorney delegating authority to act on contracts, bills of exchange, loans and similar matters relating to foreign trade, and delegating authority to issue and underwrite loans shall be vested in and limited to two persons. Documents shall be signed jointly by the chairman, vice-chairmen, and/or one of the vice-chairmen, or persons granted special power of attorney by the chairman.

Section 6. Reports and Disposition of Profits

Article 13. The business year of the Corporation shall be from 1 Jan to 31 Dec.

Article 14. Reports and balance sheet of the Corporation shall be prepared and certified as prescribed by law.

Article 15. Disposition of profit shall be made in accordance with the existing law.

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Section 7. Dissolution

The procedure for dissolution of the Corporation shall be in compliance with the existing law.

(Articles of incorporation were approved 16 Dec 1934)

Organization of Head Office

All plans and operations of the All-Union Soviet East Asiatic Livestock Corporation are executed by the business offices, which include the following:

Mongolia and Tuva business department
Iran and Turkey department
West China (Sinkiang) department
Veterinary department

In addition to the above, there are the following departments in the head office:

Financial plans department
Accounting department
Office of the secretary

Directory of the All-Union Soviet East Asiatic
Livestock Import Corporation

1. Location: No 26 Hall, Gorki Street, Moscow
Telephone: 5-31-03; 2-90-15
Cable address: Moscow Skotoimport
Settlement bank: Bank for Foreign Trade, Account No 140

2. Organization of the Head Office

Chairman: N K Ananchenko (phone, 5-31-03)
Vice-chairman: A I Petrosen (phone, 2-90-15)

3. Personnel

a. Corporation

Administrative personnel	85
Laborers	<u>45</u>
	130

b. Head Office

Administrative personnel	24
Laborers	<u>2</u>
	26

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4. Exclusive-Representative Department and Distribution Points

The Corporation operates stockyards in Soviet territory near the border of all leading nations from which livestock and meat products are imported. The distributing points are under the control of exclusive representatives stationed in the following places:

Leningrad
Tiflis
Baku
Irkutsk
Novosibirsk

5. Outline of Plan for Distribution Points Along International Border and Abroad

a. Outer Mongolia

(1) Special Branch Attached to the Department of Soviet Trade Representatives in Ulan Bator

(2) Distribution Points

Ubsa Muur
Altan Bulag
Tsagaan Aral (temporary base)
Burgasunig
Holbo Muur
Ulaan Usa

(3) Veterinary Stations

SHUHO DOURO*
SHIYAHORU*
SHIYARO MANHOTAI*
Hadhal Darhatui
Buhey Moron
Ulaan Usa

(4) Horse-Selection and Receiving Bases

Bayan Tumen (Kerulen)
Togod
UGEN URU*
Hadhal

b. Western China

Exclusive representatives of the Soviet Union-Sinkiang Trading Corporation are attached to the foreign-trade department located in I-ning (Kuldja), Tahcheng (Chuguchak) and A-k'o-su (Ak Su).

(1) Border Receiving Points

Khorgos	Zaisan
Narynkol	Kara Kul
Bakhty	SARUKANTO* (temporary base)

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- (2) Veterinary Bases (as an aid to the District Transportation Committee)

Khorgos	Zaisan
Narynkol	Kara Kul
Bakhty	

c. Tuva Business Department

- (1) Exclusive representatives are attached to the Department of Soviet Trade Representatives in Tuva.

- (2) Receiving Points

Kyzil
SHIMOIZERUKI*

- (3) Veterinary station

Kyzil

d. Iran Business Department

- (1) Departments Abroad

Senior special officer of branch attached to the Department of Soviet Trade Representatives in Tehran

Exclusive representatives attached to the Department of Soviet Trade Representatives in Tabriz

- (2) Receiving Bases Abroad

BENDERUSHIYAFU* (chief agent, one veterinarian and assistants)

PEFUREVUI* (specialist exclusive agent, one veterinarian and assistants)

- (3) Order Offices Located in the USSR

Dzhulfa
SHIYAFUTAFUTOU*
Astara

The representative stationed in Baku supervises and makes settlements for the office mentioned above.

- (4) Stockyards (to assist the District Transportation Committee)

Dzhulfa
SHIYAFUTAFUTOU*
Astara

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e. Turkey Business Department

(1) Order Offices

TOURUTSUKARAKURISU*
MARUKARA*

(2) Veterinary Stations

TOURUTSUKARAKURISU*
MARUKARA*

IV. THE EXPORT BUREAU AND TRADING CORPORATIONS
UNDER ITS CONTROL

Status of the Export Bureau

The Export Bureau was organized 22 Nov 1930 under the new administrative system to direct the activities of the export corporations, to inspect export goods at the factories and to supervise the activities of the Department of Soviet Trade Representatives abroad. It is an important bureau of the People's Commissariat of Foreign Trade.

Organization

The bureau is divided into ten sections: coal, petroleum, technical-goods export department, wheat, communication equipment, drugs, manufacturing raw materials, books, industrial exports and lumber.

Supervisory Authority

The Export Bureau is directly responsible to S K Sudein, first assistant of the People's Commissariat of Foreign Trade. The chief of the bureau is S Ya Rabinovich. Assistant chiefs are Yu I Lengyel and Ye I Bakun.

The Export Bureau controls the All-Union Soviet Petroleum and Petroleum-Products Export Corporation (Soyuznefteksport) and the All-Union Soviet Animal-By-Products Trading Corporation (Raznoeksport) which imports raw hide.

A. The All-Union Soviet Animal-By-Products Trading Corporation (Raznoeksport)

The All-Union Soviet Animal-By-Products Trading Corporation (Raznoeksport) was established 3 Feb 1935 with a capital of 3 million rubles as sole agency to export casing products, raw hide, hair, wool, feathers and downs, high-grade plate glass, earthenware, salt, cement, minerals, matches, rugs, animal products and other scraps, and to import leather, scrap wool, all types of raw materials and other scraps designated by the People's Commissariat of Foreign Trade.

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The Corporation is divided into casings, leather, manufacturing, animal-raw-material and mineral departments. Imports of raw hide from Mongolia comprise approximately 100 percent of Outer Mongolian hide exports (1934).

The Corporation maintains four branches for Outer Mongolia and adjacent areas with offices at Troitskosavsk (Kyakhta), Kultuk, Borzya and Bisk.

The chairman of the Corporation is Z M Davidov, and vice-chairmen are A P BURAUERU* and O O Stank.

Articles of Incorporation

Section 1. General Rules

Article 1. The All-Union Soviet Animal-By-Products Trading Corporation shall be a monopoly with the following functions:

a. The Corporation shall export casings, leather, scrap hair, hair, wool, feather and downs, high-grade plate glass, earthenware, salt, cement, minerals, matches, rugs, leather goods, animal raw material and all types of scrap goods.

b. The Corporation shall import leather, scrap hair and all kinds of scrap designated by the People's Commissariat of Foreign Trade.

Article 2. The Corporation shall be responsible to, and act on instructions from, the People's Commissariat of Foreign Trade.

Article 3. The Corporation shall be an independent economic unit and enjoy the rights of a juridical person. It shall operate for profit.

Article 4. The Corporation shall be responsible for its operations and obligations with its own assets. Disposition of assets shall be made in accordance with existing law. The Government shall not be responsible for the operation or obligations of the Corporation.

The Corporation shall not be responsible for any indemnity claim made to the Government, government agencies or other organizations.

Article 5. The Corporation shall use a seal bearing its own name.

Section 2. Functions

Functions of the Corporation shall be as follows:

a. The Corporation shall be the sole agency, as prescribed in article 1, to export and sell raw and scrap materials in foreign markets. Furthermore, it shall import into the Soviet Union all commodities allocated to the Corporation.

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b. The Corporation shall formulate export and import plans, control figures of scrap materials and execute plans according to set procedures.

c. The Corporation shall formulate and execute plans to increase the quantity and improve the quality of export goods.

d. The Corporation shall examine samples and specifications of goods.

e. The Corporation shall publish profit margin on goods allocated to the corporation and study methods to increase the profit ratio.

f. The Corporation shall examine conditions of foreign markets for its goods, study business techniques of other countries, and formulate plans to incorporate improved practices of other countries into the Soviet Union.

g. The Corporation shall study rated figures for operating and administrative expenses. It shall compile economic and statistical data for each department.

h. The Corporation shall advise each department on investments and constructions.

Section 3. Authority of the Corporation

Article 6. The Corporation shall be granted the following authorities, within the limit of the existing law, in order to perform its business and economic functions mentioned above:

a. The Corporation shall have the right to become a party to a contract, to engage in transactions, to take legal actions, to establish credit, and to issue and accept notes with any governmental office, firm and/or individual in the USSR or abroad. Furthermore, it shall have the right to sue and be sued.

b. The Corporation shall have the right to establish, lease and/or rent subsidiary companies in the proper performance of its functions.

c. The Corporation shall have the right to establish branch stores, offices, representative departments and/or agencies in the proper performance of its functions.

d. The Corporation shall have the right to join any organizations, corporations and companies in the interest of the Corporation. Such action, however, shall be subject to prior approval by the People's Commissariat of Foreign Trade.

Section 4. Capitalization

Article 7. The authorized capital of the Corporation shall be 3 million rubles. Any change in capital shall be made by order of the People's Commissariat of Foreign Trade.

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Section 5. Supervisory Organ

Article 8. The People's Commissariat of Foreign Trade shall appoint a chairman and vice-chairmen to control the operation of the Corporation.

Article 9. The chairman shall delegate duties to the vice-chairmen.

Article 10. The chairman of the Corporation shall be responsible for the operation and assets of the corporation. He shall direct all operations, plans and administration in the name of the Corporation. He shall execute all transactions, contracts and lawful acts. He shall be permitted to negotiate directly with any governmental office, firm and/or individual, with the exception of the supreme governmental organ.

Article 11. The chairman; vice-chairmen, within the limits of authority granted by the chairman; persons granted special power of attorney; or one vice-chairman shall have the authority to execute contracts and actions independently in the name of the Corporation.

The special power of attorney granting authority to execute contracts, bills of exchange and other financial matters incident to foreign trade and to issue and accept notes shall be countersigned by two persons. Persons having the authority to sign such papers shall be the chairman, vice-chairmen, or a person granted special power of attorney by the chairman with the concurrence of the vice-chairmen.

Section 6. Reports and Disposition of Profits

Article 12. The business year of the Corporation shall be from 1 Jan to 31 Dec.

Article 13. The financial report and balance sheet of the Corporation shall be prepared and certified in the manner prescribed by law.

Article 14. The profits of the Corporation shall be distributed as prescribed by law.

Section 7. Dissolution

Article 15. The procedure for dissolution of the Corporation shall be determined by the People's Commissariat of Foreign Trade.

(These articles were approved 3 Feb 1935.)

Organization of Head Office

Business Offices

All plans and operations of the Corporation are executed by the business offices, which include the following departments:

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Casing-products department
Leather department (export and import)
Manufacturing department
Animal-products department
Rug department
Minerals department
Earthenware department
Match department

There is an accounting section in each department.

Functions of the Business Offices

1. Formulate sales plan abroad on the basis of commodity delivery plans, export program and consignors and by countries.
2. Assure an adequate supply of raw materials to manufacturing centers so that export-plan commitments may be fulfilled. Inspect the standardization of goods and the terms of export contract. Accept delivery of goods which meet specifications from the manufacturers and distributors. Supervise the performance of contracts.
3. Direct sales campaigns for the products in foreign markets. Examine contracts with foreign commercial firms on commercial and technical terms. Supervise and instruct the branches of the Department of Soviet Trade Representatives abroad.
4. Supervise transportation agencies (railroads and water transportation) to assure adequate facilities for moving export commodities. Also inspect storage facilities.
5. Record commodity receipts, deliveries and claims for damages. Supervise the performance of contracts with foreign firms and contractors. Keep accounting records and make settlements on their own and of others' accounts.
6. Formulate financial plans.
7. Take steps to minimize miscellaneous expenses incident to conversion of foreign exchange and maintain domestic and foreign-exchange accounts.
8. Supervise the enforcement of foreign-exchange controls.
9. Analyze market conditions and prices by commodities. Study prices of foreign goods and prepare reports on activities of foreign competitors.
10. The authority of the casing-products import department is similar, in general, with that of the casing-products export department. Each department operates as an independent, profit-making enterprise.

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Transportation Section

Functions:

Arranges necessary transportation for exports. Maintains liaison with other transportation agencies.

Plans-and-Finance Department

Functions:

Formulates export plans, foreign-exchange plans, production credit, commercial credit and financial policy of the corporation. Makes settlements with the Department of Soviet Trade Representatives and other agencies. Establishes bank credit and observes market conditions.

Accounting Bureau

Functions:

1. Assumes accounting duties of the corporation. Directs accounting bureaus of all branches and departments.
2. Organizes and renders banking and accounting duties. Records imports and prepares consolidated reports of the corporation.

General Affairs Bureau

Functions:

Supervises administrative, economic, material and living conditions [of employees] of the corporation.

Inspection of Operations

The enforcement of directives of the supreme governmental organ and the allocation of duties among the staff shall be the responsibility of the chairman and the heads of each department.

Directory of the All-Union Soviet Animal-By-Products Trading Corporation

1. Location: 47 Kirov Street, Moscow
Telephone: 3-31-87, 3-99-97, 5-24-87, 12-00, 3-71-82
Cable address: Raznoeksport, Moscow
Bank reference, domestic exchange: Inogosu Bank (Foreign State Bank), Account No 238
Foreign exchange: Inogosu Bank, Account No 516
2. Organization of the Head Office
Chairman: Z M Davidov
Vice-chairman: O O Stank
Vice-chairman: A P BURAUERU*

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3. Personnel

a. Corporation

Administrative personnel	377
Laborers	<u>4,554</u>
	4,931

b. Head Office

Administrative personnel	212
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4. The Corporation maintains 25 branches:

Leningrad Branch

5/10 Lermontovskiy Street, Leningrad

Shipping point: commodities are prepared for export

Administrative personnel	115
Laborers	<u>301</u>
	416

Odessa Branch

23 Karl Riebknecht Street, Odessa

Shipping point

Administrative personnel	23
Laborers	<u>30</u>
	53

Ashkhabad Branch

21 Karl Riebknecht Street, Ashkhabad

Employees	8
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Kharkov Exclusive Representative Department

9th Gesbron Building, Kharkov

Telephone: 1-36-02

Novo Rossisk Office

19 Morskaya Street, Novo Rossisk

Employees	6
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Baku Office

83 Gubanov Water-Front Street, Baku

Administrative Personnel	12
Laborers	<u>41</u>
	53

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Leather Markets of the Corporation

Troitskosavsk Leather Market

Kyakhta, Buryat-Mongol ASSR
60 employees, including 6 staff members

Kultuk Leather Market

Kultuk Station, Transbaikial Railroad
41 employees, including 6 staff members

Borzya Leather Market

Borzya Station, Transbaikial Railroad
32 employees, including 4 staff members

Bisk Leather Market

Bisk, Western Siberia
25 employees, including 3 staff members

Khorgos Leather Market

Khorgos, Aktyubinsk
7 employees, including 3 staff members

Bakhty Leather Market

Bakhty, Alma Ata Province
7 employees, including 3 staff members

MAI KOBUCHIEGAI* Leather Market

MAI KOBUCHIEGAI* town, East Kazakhstan Province
3 employees, including 1 staff member

Osh Leather Market

Osh, Central Asia Railroad
4 employees, including 2 staff members

Kara Kul Leather Market

PAKUROFUKA* town, JIETTO OGUZUSUKII* area
4 employees, including 2 staff members

P. The All-Union Soviet Petroleum and Petroleum-Products Export Corporation (Soyuznefteksport)

The All-Union Soviet Petroleum and Petroleum-Products Export Corporation (Soyuznefteksport) was organized 23 Jun 1931 with a capital of 35 million rubles. Its predecessor was known as the Oil-and-Gas-Industry Corporation (Soyuzneft) until the People's Commissariat of Foreign Trade became an independent department under the new administrative system which became effective 22 Nov 1930. On 31 Dec 1930, the All-Union Soviet Petroleum and Petroleum-

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Products Export Corporation (Soyuznefteksport) assumed all the operations, rights, obligations and assets from the Oil-and-Gas-Industry Corporation. This Corporation enjoys the rights of a juridical person and operates for profit. It is the sole agency for export of petroleum and petroleum products, under the supervision of the Export Bureau of the People's Commissariat of Foreign Trade.

Trade with Mongolia is handled by the Mongolian section. Transactions are consummated directly by the Corporation's Outer Mongolian representative stationed in Ulan Bator with Outer Mongolian agencies. The Corporation operates three petroleum distributing points, three agencies, seven petroleum dumps and nine small gasoline stations with oil storage facilities in Outer Mongolia (1934). The Corporation is not only the exclusive distributor for gasoline, but also an important source of petroleum and petroleum products to meet military requirements against possible Japanese and Manchurian aggression.

In addition, the Corporation maintains branches at gateway points to Outer Mongolia, such as Kultuk, Bisk and Ulan Ude. Briefly, the USSR's intention is not only to promote business in the Soviet Union, but to establish rear petroleum bases in Outer Mongolia. It is natural for the Corporation to have petroleum bases or branches and business offices along all military highways, or at other important points in the transportation system.

The chairman of the Corporation is I M Piezner, and the vice-chairman is A P Bubev.

D G Tsukerman is the chief of the business department.

Articles of Incorporation

Section 1. General Rules

Article 1. The All-Union Soviet Petroleum and Petroleum-Products Export Corporation shall be organized as a monopoly to export and sell petroleum and petroleum products from the Soviet Union.

The Corporation shall assume all rights and obligations of the Oil-and-Gas-Industry Corporation as of 31 Dec 1930. Furthermore, it shall assume all assets, viz, stock certificates, stocks and other investments in foreign firms held abroad by the Oil-and-Gas-Industry Corporation and the Oil Syndicate of the USSR (Neftsyndikat).

Article 2. The Corporation shall be an independent economic unit and shall enjoy the rights of a juridical person. It shall operate for profit.

Article 3. The Corporation shall have the right to monopolize the foreign markets.

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Article 4. The Corporation shall be responsible to the People's Commissariat of Foreign Trade. It shall operate on directives from the said commissariat.

Article 5. The Corporation shall be responsible for its operations and obligations with its own assets. Disposition of assets shall be made in accordance with existing law. The Government shall not be responsible for any obligation of the corporation. The corporation shall not be responsible for any claim of indemnity made to the government, governmental agencies or any other organizations.

Article 6. The Corporation shall use a seal bearing its own name.

Section 2. Functions

Article 7. The Corporation shall perform the following functions to achieve the objectives set forth in article 1:

a. It shall draft control figures and export plans for petroleum and petroleum products. It shall execute these plans in accordance with set procedures.

b. It shall be the sole export and sales agency for all petroleum and petroleum products in foreign markets.

c. It shall study and execute plans to promote sales of commodities allocated to the Corporation.

d. It shall study specifications, samples and standards of petroleum and petroleum products to be exported and carry out the findings according to set procedures.

e. It shall publish the profit margin for all exported petroleum products. Furthermore, it shall study methods to increase the profit margin.

f. It shall analyze foreign markets with reference to petroleum and petroleum products.

g. The Corporation shall study rated figures for operating and administrative expenses incident to petroleum and petroleum-products export. It shall compile economic and statistical data for each export commodity.

h. The Corporation shall advise on investment, construction and production plans of the Oil-and-Gas-Industry Corporation and other production trusts.

Section 3. Authority of the Corporation

Article 8. The Corporation shall be granted the following authorities in order to perform its business and economic functions:

a. The Corporation shall have the right to

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become a party to a contract, to engage in transactions, to establish credit (including the right to issue and accept notes) with any governmental office, firm and/or individual in Russia or abroad as prescribed by existing laws.

b. The Corporation shall have the right to establish, lease and/or rent subsidiary companies in the proper performance of its functions.

c. The Corporation shall have the right to establish branch stores, exchanges and representative departments in the Soviet Union or abroad, as well as to participate with other corporations, companies and agencies in order to co-ordinate the functions of the Corporation.

Section 4. Capitalization

Article 9. The authorized capital of the Corporation shall be 35 million rubles. Any change in capital shall be made by order or approval of the People's Commissariat of Foreign Trade and the People's Commissariat of Finance.

Section 5. Supervisory Organ

Article 10. The Corporation shall maintain a head office in Moscow as directed by the People's Commissariat of Foreign Trade. The head office shall be composed of one chairman and directors designated by the People's Commissariat of Foreign Trade.

Article 11. The main office shall control all assets and functions of the Corporation. It shall supervise the Corporation in accordance with set procedures. It shall perform all duties in the name of the Corporation. It shall have the right to negotiate directly with any governmental office, agency and/or individual, except the supreme governmental organ.

Article 12. The division of responsibility among officers of the Corporation shall be determined by the chairman.

Decisions by the head office shall be made by majority vote. When a measure fails to obtain a majority vote, the chairman shall assume the responsibility and render a decision. In such cases, the chairman shall submit a report on the failure of a measure to obtain a majority vote and his decision to the People's Commissar for Foreign Trade.

Article 13. The chairman, vice-chairmen and directors, within the limits of their respective authority, shall be permitted to act independently on all affairs in the name of the Corporation. The power of attorney granting authority to negotiate foreign-trade contracts, to issue bills of exchange and/or to float loans shall be signed jointly by two persons in the head office, or by one person from the head office and countersigned by another person granted special power of attorney by the head office, or by two persons granted special power of attorney by the head office.

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Section 6. Reports and Disposition of Profits

Article 14. The accounting year of the Corporation shall be from 1 Jan to 31 Dec.

Article 15. Financial statement and balance sheet shall be prepared and certified in accordance with the existing law.

Article 16. Disposition of profits shall be made in accordance with the profit-distribution law.

Section 7. Dissolution

Article 17. The procedure for dissolution of the Corporation shall be determined by the People's Commissariat of Foreign Trade.

(These articles were approved on 23 Jun 1931.)

By-Law No 1

By order of the People's Commissariat of Foreign Trade, dated 23 May 1931, the following items shall be added to the articles of incorporation:

1. The authority granted under paragraph c, article 8, shall be subject to prior approval by the People's Commissariat of Foreign Trade.

2. The Corporation shall have the direct responsibility of regulating the export of petroleum and petroleum products, of directing the policy of the export department in the Soviet Union, and of concluding contracts with foreign countries, in compliance with directives from the People's Commissariat of Foreign Trade.

Furthermore, the Corporation shall have the following responsibilities:

a. Examination of the foreign-trade plans of governmental office, agency and/or company which assists the Corporation in the export of petroleum and petroleum products.

b. Directing all operations of governmental office, agency and/or company incident to the export of petroleum and petroleum products.

c. Checking of the production schedule of each export department of the Oil-and-Gas-Industry Corporation and petroleum-industry trust.

d. Formulation and execution of plans to rationalize exports of petroleum and petroleum products and to improve the export organization.

e. Study and execution of plans to train and organize employees to work in export departments.

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f. Granting of export permits for petroleum and petroleum products within the limits of authorization granted to the Corporation.

3. The Corporation shall be granted the authority, in order to achieve the functions prescribed in article 2, to issue necessary directives and instructions to any governmental office, agency and/or individual connected with export of petroleum and petroleum products.

By-Law No 2

By order of the People's Commissariat of Foreign Trade, dated 29 Mar 1934, articles 10, 11 and 12 shall be revised or added to as follows:

Article 10. The People's Commissar for Foreign Trade shall appoint one chairman and one vice-chairman to assist the chairman in supervising the operation of the Corporation.

Article 11. The chairman shall be responsible for the operations and assets of the Corporation. He shall exercise control on plans, operations and administration in the name of the Corporation. He shall direct all important transactions, actions and legal acts. He shall be permitted to negotiate directly with any governmental office, commercial firm or individual, with the exception of the supreme governmental organ.

The Corporation shall submit trade, financial and operational plans and budget, balance sheets and financial reports to the People's Commissariat of Foreign Trade for approval.

The vice-chairman shall assume the duties of the chairman during the chairman's absence. The vice-chairman shall perform duties delegated to him by the chairman.

Article 12. The chairman and vice-chairman shall be permitted to take independent action on all actions and to negotiate contracts in the name of the Corporation. The power of attorney granting authority to conclude contracts, bills of exchange and financial matters incident to foreign trade, or to issue or underwrite loans, shall be countersigned by two persons. Persons authorized to sign documents shall be the chairman and the vice-chairman, or persons granted such authority by power of attorney signed by the chairman and vice-chairman.

Organization of Head Office

Business Offices

All plans and operations of the corporation are executed by the business offices, which include the following:

Anglo-Saxon Bureau (England, America, Africa and New Zealand)
Scandinavian and Baltic Bureau (Sweden, Norway, Denmark, Estonia, Latvia, Lithuania and Finland)
French and Roman Bureau (France, Italy, Belgium, Holland and Spain)

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Central European Bureau (Germany, Austria, Hungary, Czechoslovakia and Switzerland)
East Asia Bureau (China, Manchuria, Korea, Turkey, countries in the Red Sea region and Iran)
Mongolian Department
Commodity Transportation Department

1. Functions Bureaus

a. Formulate export plans. Plan sales campaign in foreign markets on the basis of consignor and country. Draft foreign-exchange plans.

b. Direct sales in foreign markets.

c. Examine contracts with foreign commercial agents for terms and specifications.

d. Supervise and direct the activities of the Department of Soviet Trade Representatives and the branches of the All-Union Soviet Petroleum and Petroleum-Products Export Corporation abroad.

e. Define the credit limit in trade-records provisional sales and claims for damage. Investigate the credit rating of the buyer. Supervise the performance of contracts with foreign firms.

f. Prepare balance sheet and financial reports according to countries under their jurisdiction.

g. Examine the enforcement of foreign-exchange-control plan and analyze commodity markets and prices.

2. Functions of the Commodity Transportation Department

a. Formulates shipping plans for export.

b. Adjusts export plans on the basis of export goods available in production area. Accepts delivery of goods from the manufacturing department. Examines the specifications of the contracts. Accepts good-quality goods from the manufacturers. Examines the performance of contracts with the distributor.

c. Arranges transportation of export goods with important transportation agencies, namely, railroad and water transportation systems, and warehouses. Formulates water-shipping plans and insures the goods.

d. Records goods received and unloaded. Inspects the performance of contracts with distributors and makes financial settlements with them. Studies methods to minimize miscellaneous expenses. Allocates necessary reserve for possible expansion.

e. Directs establishment of regional agencies in the Soviet Union.

f. Directs activities in ports and harbors.

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Supplementary Rules

With the deactivation of the management department and investment-and-construction department, the domestic affairs handled by these departments shall be transferred to the commodity transportation department. Foreign affairs shall be transferred to the respective business departments.

With the deactivation of the foreign-exchange-and-credit department, all matters of foreign exchange shall be transferred to the respective business departments. All financial matters concerning the Soviet Union shall be transferred to the commodity transportation department.

With the deactivation of the administrative and organization departments, all affairs relating to organization problems, budget and employee relations in the Soviet Union and abroad shall be transferred to the respective business departments and the commodity transportation department. General affairs shall be transferred to the office of the secretary of the corporation.

Planning-and-Economic-Research Department

Functions:

Drafts general plans, budget and reports. Analyzes world economic conditions. Edits and publishes commercial reports. Maintains liaison with the State Bank (Gosbank) concerning problems of the foreign-exchange program.

Main Accounting Department

Functions:

Prepares accounting register of the Corporation. Directs accounting departments and branches in each bureau. Performs banking and accounting functions. Prepares general reports of the Corporation. Audits banking and auditing activities.

Office of the Secretary

Functions:

Controls all administrative, economic and living conditions [of employees] of the main office.

Inspection of Corporate Activities

The chairman and chief of each bureau and the chief of the commodity transportation department direct the enforcement of directives from the supreme governmental organ and the People's Commissariat of Foreign Trade, and determine the allocation of duties among the staff.

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Personnel Advisory Board

The personnel advisory board shall be an executive agency directly under the chairman, to advise the chairman on personnel affairs.

Directory of the All-Union Soviet Petroleum and Petroleum-Products Export Corporation

1. Location: 5 Karyavskaya, Moscow
Telephone: D 1-65-41; D 1-90-29
Cable address: Moscow, Soyuznefteksport
Bank reference: Gosbank YNHO 0243

2. Organization of the Head Office

Chairman: I M Peizner (telephone, D 1-90-29)
Vice-chairman: A P Bubev (telephone, D 1-89-66)
Chief of Business Offices: B G Tsukerman

3. Personnel

- a. Corporation

Administrative personnel	142
Laborers	<u>18</u>
	160

- b. Head Office

Administrative personnel	100
Laborers	<u>13</u>
	113

4. The corporation maintains 11 branches; in addition, it has branches and distributing points in Outer Mongolia:

- a. In the Soviet Union

Baku Branch

4 Eksportnaya Street, Gorodo, Chernaya, Baku
Soyuznefteksport exclusive agency (Zenken dairibu)

Batumi Branch

4 Shosse, Proletarskoe, Batumi

Groznyy Branch

Groznyy (Grozneft)
Soyuznefteksport exclusive agency

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Vladivostok Branch

8 Leninskaya Street, Vladivostok
Soyuznefteksport exclusive agency

Ulan Ude Branch

24 Vostochnaya Street, Ulan Ude
Soyuznefteksport exclusive agency

Ashkhabad Branch

Ashkhabad
Soyuznefteksport exclusive agency

Bisk Branch

Bisk
Soyuznefteksport exclusive agency in Sovmongtuytorg

Kultuk Branch

Kultuk Station, Transbaikal Railroad
Soyuznefteksport petroleum storage dump

Tuapse Branch

Tuapse
Soyuznefteksport exclusive agency

Novo Rossiisk Branch

Novo Rossiisk
Soyuznefteksport exclusive agency

Leningrad Branch

60 Griboedov Water Front, Leningrad
Soyuznefteksport exclusive agency
Telephone: 2-17-15

(Above data is based on the outline of the People's
Commissariat of Foreign Trade, Moscow, 1936.)

b. Soyuznefteksport Department of Soviet Trade Representa-
tives in Outer Mongolia

Location: Russian Consulate, Ulan Bator
Telephone: 312
Cable address: Ulan Bator, Soyuznefteksport
Bank reference: Bank of Mongolia (telephone, 476)

(1) Petroleum Bases

Suhe Baatar
Turtu
Bayan Tunen

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(2) Agencies

Van Huryee
Eryeen Tsab
Tsagaan Nuur

(3) Petroleum Storage Points

Jirgalanta (Kobdo)	Ondor Haan
Hadhal	Dzaniin Uude
Hara	Tsetserlig
Ulan Bator	

(4) Gasoline Stations (small oil storage)

Eryeen Tsab	Ondor Haan
Bayan Tunen	Hadasan
Hara	Van Huryee
Tsetserlig	Choyroiin
Altan Bulag	

(Above data is based on Mongolia Today, Magazine Vol 1, No 4, p 128, 1934.)

V. THE GENERAL BUREAU FOR WOOL AND FUR (Glavpushnina)
AND TRADING CORPORATIONS UNDER ITS CONTROL

Status of the General Bureau for Wool and Fur

The General Bureau for Wool and Fur was organized under the new administrative regulations of 22 Nov 1930 and is a part of the People's Commissariat of Foreign Trade. Its function is to regulate and to render technical assistance in the management and planning of the wool-and-fur industry under the People's Commissariat of Foreign Trade.

Organization

The General Bureau for Wool and Fur is composed of the Wild-Animal-Raising State-Farm Department (Sovkhoz), the Fur-Industry Department and the Export Section.

Supervisory Authority

The General Bureau for Wool and Fur is directly responsible to S K Sudein, first assistant to the People's Commissar for Foreign Trade. The chief of the Bureau is A K Stashovsky, and Ye M Berv is assistant chief. A I Cherbyarov is the assistant in the administration department.

Agencies Under the Direct Control of the General Bureau

Under the direct control of the General Bureau are the All-Union Soviet Wild-Animal-Breeding and Rabbit Trust (Soyuzsverkrolikvod--the name was changed to Soyuzsvervod by order of People's Commissariat of Foreign Trade, dated 8 Nov 1935) and the All-

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Union Soviet Fur-Trading Corporation (Soyuzpushnina). No other government agency, other than the General Bureau, may issue an order to the above-mentioned agencies, except in a special case. Among the agencies under the direct control of the General Bureau, the All-Union Soviet Fur-Trading Corporation engages in trade with Mongolia.

The All-Union Soviet Fur-Trading Corporation

The All-Union Fur-Trading Corporation was established as a trading agency with a capital of 150 million rubles. The functions of this Corporation are to export wool, raw furs and processed furs to foreign countries and to import wool and raw furs from Mongolia and countries in the Near East, either directly or through other agencies. Furthermore, it formulates and executes plans for the procurement and processing of wool and furs and for the breeding of fur-bearing animals. The predecessor of this Corporation was the Fur Export Corporation (Pushnosyndikat), and the latter's functions, assets and liabilities, as of 1 Jan 1931, were assumed by the All-Union Soviet Fur-Trading Corporation. Since then, the Corporation has expanded and become one of the largest state corporations.

In Mongolia the Corporation engages chiefly in the import of furs. The special characteristic of this Corporation is that it is authorized to approve, order and control operational and foreign-trade plans of governmental offices, agencies and firms dealing in the fur industry (People's Commissar for Foreign Trade, Order No 658, issued 22 Oct 1931).

The chairman of the Corporation is N A Bogmorov, and vice-chairmen are N M Migarinskiy and A Ye Magitsdoson.

Articles of Incorporation

Section 1. General Rules

Article 1. The All-Union Soviet Fur-Trading Corporation shall be established to accomplish the following objectives:

- a. It shall be the sole export agency for wool, raw furs and processed furs from the Soviet Union to foreign countries.
- b. It shall be the sole sales agency for wool, raw furs and processed furs in foreign markets.
- c. It shall be the sole import agency for wool, and raw furs from countries in East Asia, either directly or through other agencies.
- d. It shall formulate and execute plans for the procurement and processing of wool and raw fur.
- e. It shall formulate and execute production plans for the processed-fur industry; fur-bearing, wild-animal-breeding industry; wild-animal experimental farm; deer-breeding

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industry; rabbit-breeding industry; karakul industry and other fur-bearing-animal industries.

f. It shall sell wool, raw furs and processed furs in the domestic market.

By-Law

The Corporation shall assume all the operations, assets and liabilities of the Fur Export Corporation as of 1 Jan 1931.

Article 2. The All-Union Soviet Fur-Trading Corporation shall be an independent, economic unit and shall enjoy the rights of a juridical person.

Article 3. The Corporation shall be responsible to the People's Commissariat of Foreign Trade. It shall act on directives by said commissariat and shall submit to its supervision.

Article 4. The Corporation shall be responsible for its obligations with its own assets. Distribution of assets shall be made in accordance with the existing laws. The Government shall not be responsible for the Corporation's operation. The Corporation shall not be responsible for any claim against the Government, any governmental agency or any other organization.

Article 5. The Corporation shall use its own seal.

Article 6. The head office of the Corporation shall be located in Moscow.

Section 2. Functions

Article 7. The Corporation shall perform the following functions to achieve the objectives prescribed in article 1:

a. The Corporation shall be the sole agency to export and sell wool, raw fur and fur products in foreign markets. Furthermore, it shall import materials essential to the fur-animal-breeding industry and the experimental animal-breeding industry and shall export animals.

b. The Corporation shall import wool and raw furs from countries in East Asia, either directly or through other agencies.

c. The Corporation shall formulate control figures and business plans for each department and execute plans in accordance with set procedure.

d. The Corporation shall formulate and execute plans to increase the export of commodities allocated to the Corporation.

e. The Corporation shall set standards for export goods and enforce the standardization in accordance with set procedure.

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f. The Corporation shall publish profit margins of each commodity and study methods to improve the profit ratio.

g. The Corporation shall study foreign-market conditions for its commodities. It shall compile economic and statistical data.

h. The Corporation shall set rated figures for operating, and administrative expenses incident to, foreign trade.

i. The Corporation shall formulate and execute procurement plans for wool and raw fur.

j. The Corporation shall formulate and execute production plans for the fur-processing industry.

k. The Corporation shall sell fur products and other commodities allocated to the corporation in the domestic markets.

l. The Corporation shall plan and direct the wild-animal-breeding industry, rabbit-breeding industry and other fur-animal industries.

m. The Corporation shall study the plans, problems of investment and construction of each department of the Corporation and take action in accordance with set procedure.

n. The Corporation shall supply ammunition to hunting areas and fur-processing equipment, organic dyestuff and other materials to the processed-fur industry.

Section 3. Authority of the Corporation

Article 8. The Corporation shall be granted the following authorities in order to perform functions prescribed in article 6:

a. The Corporation shall have the right to make contracts, including commercial instruments, and to take any lawful action as prescribed by law with any governmental office, agency, company and/or individual in the Soviet Union or abroad. It shall have the right to sue and be sued.

b. The Corporation shall have the right to establish, lease and/or rent subsidiary companies in the Soviet Union or abroad in the proper performance of its functions.

c. The Corporation shall have the right to establish branches, business offices and representative departments and agencies, as well as to participate with any corporation, firm and agency in the Soviet Union or abroad in the proper performance of its functions.

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Section 4. Capitalization

Article 9. The authorized capital of the Corporation shall be 150 million rubles. Any change in capital shall be made by order of or concurrence with the People's Commissariat of Foreign Trade and the People's Commissariat of Finance.

Section 5. Supervisory Organ

Article 10. The Corporation shall be managed by a supervisory bureau appointed by the People's Commissariat of Foreign Trade. The bureau shall be composed of directors designated by the People's Commissariat of Foreign Trade and the chairman of the Corporation.

Article 11. The supervisory bureau shall be responsible for the administration, operation and assets of the Corporation and shall keep adequate records. It shall be permitted to take independent action in the name of the Corporation. It shall be permitted to negotiate directly with governmental offices and agencies, except the supreme governmental organ, in the performance of its functions. The Corporation shall submit financial and business plans, budgets, balance sheets and reports to the People's Commissariat of Foreign Trade for approval.

Article 12. The chairman shall delegate responsibilities among the chairman, vice-chairmen and directors of the supervisory bureau. Any act in the name of the supervisory bureau shall be taken by the chairman, vice-chairmen or the directors within the limits of their authority. However, the power of attorney granting authority to enter foreign-trade contracts, or contracts involving the financing of foreign trade, or similar matters, shall be countersigned by another person granted special power of attorney, or persons granted such authority.

Section 6. Reports and Disposition of Profits

Article 13. The business year of the Corporation shall be from 1 Jan to 31 Dec.

Article 14. Reports and balance sheet shall be prepared and certified in accordance with existing laws.

Section 7. Dissolution

Article 15. The method of dissolution shall be prescribed by the People's Commissariat of Foreign Trade.

By-Laws

Pursuant to directive from the People's Commissariat of Foreign Trade, dated 22-24 Oct 1931 and based on plans of said commissariat, the All-Union Soviet Fur-Trading Corporation shall assume the following functions:

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1. The All-Union Soviet Fur-Trading Corporation shall directly regulate export of wool, raw fur and other commodities under its jurisdiction from foreign countries. Furthermore, it shall directly control the policies of the export department in the Soviet Union.

2. The Corporation shall regulate and direct the procurement of wool and raw furs.

3. The Corporation shall supervise and direct the fur-processing industry, fur-bearing-animal and wild-animal experimental farms, deer-breeding industry, fur industry, rabbit-breeding industry and fur-bearing-animal industry.

4. The Corporation shall regulate and direct the supply of fur products in domestic markets (with approval from the People's Commissariat of Supply).

The Corporation shall direct the plans and operations of the governmental office, agency and/or company which deals with commodities handled by the Corporation.

The Corporation shall issue export and import permits for goods allocated to the Corporation, within the authority granted to the Corporation.

The Corporation shall be vested with authority to issue directives and orders in the proper performance of the functions prescribed in article 2 to governmental offices, agencies and/or individuals who co-operate with the Corporation.

(People's Commissariat of Foreign Trade, Order No 8, issued 22-24 Oct 1931)

Organization of Head Office

Business Offices

The following business offices are responsible for the execution of all plans and operations of the Corporation:

Wool department
Fur department
Import department
Animal export department

Each department has an accounting section.

1. Functions of the Export Department

a. Formulates export quota, sales-and-exports plan, and foreign-exchange plan.

b. Adjusts export on the basis of commodity inventory. Inspects the quality of export goods. Prepares standard goods and studies export contracts. Signs agreement with contractors. Supervises the performance of contracts.

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c. Sells export goods. Concludes contracts with foreign firms abroad and in the Soviet Union. Directs activities of branches of the Department of Soviet Trade Representatives concerning sales of export goods abroad. Supervises the performance of contracts by foreign firms.

d. Formulates and executes plans to minimize miscellaneous expenses incident to conversion of foreign currency.

e. Studies conditions of foreign markets. Formulates cost of production figures.

f. Orders shipment of goods.

g. Makes and records settlements with foreign firms and contractors in the Soviet Union.

h. Supervises settlements with trade representatives and records of shipments, receipts, sales contract, claims for indemnity, etc.

i. Prepares business reports.

2. Functions of the Import Department

The functions of the import department, on the whole, are identical with those of the export department. All settlements regarding import transactions are made by the import department.

Explanatory Notes

Export-goods inspectors and exclusive representatives are attached to each wool and fur department.

Cold-storage plants and pattern shops are under the direct control of the chairman. With the deactivation of the contract department, its functions were assumed by the business department. With the deactivation of financial and planning departments, their functions were assumed by the business-and-financial-plans department.

With the deactivation of the transportation department, its directing authority was assumed by the business department, and other duties were assumed by the transportation department /sic/.

With the deactivation of the East Asia section, its functions were transferred to the import department.

Planning-and-Finance Department

Functions:

The department prepares general plans and makes settlements for transactions forwarded to the head office.

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Accounting Section

Functions:

Performs bank-accounting service. Makes settlements with trade representatives. Prepares reports and balance sheets of the corporation.

Transportation Department

Functions:

Performs transportation functions.

General-Affairs Section

Functions:

Performs general administrative functions.

Inspection

The chairman and departmental heads are responsible for the enforcement of orders from the supreme governmental organ, the People's Commissariat of Foreign Trade and the staff.

Directory of the All-Union Soviet Fur-Trading Corporation

1. Location: 47 Kirov Street, Moscow
Telephone: 4-32-74; 4-21-27; extension 12-00
Cable address: Soyuzpushnina, Moscow

2. Organization of Supervision Bureau

Chairman: N A Bogmorov
Vice-chairman: N M Migarinskiy
Vice-chairman: A Ye Magitsdoson

3. Corporation Personnel

4. The corporation maintains the following:

- a. Moscow Export Department

11 Boris Denidorovka Street, Moscow
Administrative personnel
Laborers

9
6
15

The function of this department is to sell wool and fur products to foreign firms.

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b. Wool Export Department

11 Boris Denidorovka Street, Moscow
 Personnel (including 136 laborers) 185
 Warehouse capacity (square meters) 20,000
 Equipment: ammonia compressor with one freezer
 and seven blowers, air compressor,
 freight elevator, stamping machine,
 etc.

This is the central agency where export wool goods are received and graded. In addition, it receives, stores and grades raw fur and fur products for export and domestic consumption.

c. Fur Export Corporation (Soyuzeksportmekh)

14 Boloyaya Street, Moscow
 Personnel (including 88 laborers) 163

This corporation controls the distribution and processing of raw fur. It maintains receiving and grading stations for raw fur at Chardzhou and Bukhara.

d. Sample Manufacturing Plant (Soyuzpushnina)

6-13 Third Kadashovski Road, Moscow

This plant manufactures and exports dyed fur and fur products to foreign markets. It also prepares sample goods and grades fur.

e. Soyuzpushnina Leningrad Business Office

7-9 October 25th Boulevard, Leningrad
 Telephone: 76-10
 Personnel (including 11 staff) 13
 Leningrad auction market (telephone,
 1-81-44)

VI. OTHER TRADING AGENCIES

A. Office of the Department of Soviet Trade Representatives in Ulan Bator, Outer Mongolia

1. Status

The Department of Soviet Trade Representatives in Outer Mongolia is an agency which represents the Soviet Government in trade with Outer Mongolia. Legally, it is a part of the USSR Embassy in Mongolia and, as such, enjoys diplomatic immunity. In the performance of its functions in foreign trade, it is responsible to the People's Commissariat of Foreign Trade.

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2. Functions

The Department of Soviet Trade Representatives concludes treaties and contracts in the name of the Soviet Union, receives credit, signs treaties settling disputes, files suit against foreign agencies and performs all lawful acts authorized by USSR law. Examples of the more important duties are as follows:

- a. It represents and protects USSR economic interest and promotes economic relations between the USSR and the country in which the representative is stationed.
- b. It regulates and controls trade between the USSR and the country concerned. As representative of the Soviet Government, it also controls and regulates firms in the country concerned.
- c. It engages in direct commercial transactions.

3. Supervisory Organs

The trade representative in Mongolia is directly responsible to the Department of Trade Representatives of the People's Commissariat of Foreign Trade, and the Department of Trade Representatives is responsible to A. Rozengol'ts, People's Commissar for Foreign Trade.

4. Trade Representative in Outer Mongolia (as of 1 Sep 1935)

A. I. Birkengatsov
Consulate Street, Ulan Bator

B. Soviet Custom Offices on the Outer Mongolian Border

Kosh Agach Custom Office
Kosh Agach, Oirot Autonomous Oblast

Mondy Custom Office
Tunkin League Post Office, Buryat-Mongol ASSR

Kyakhta Custom Office
Kyakhta Post and Telegraph Office,
Kyakhta, Buryat-Mongol ASSR

Solov'yevskoye Custom Office
Borzya Station, Trans-Siberian Railroad, Eastern Siberia,
Solov'yevskoye, Chita Oblast

TASHIYANTA* Branch Custom Office
Kosh Agach Post Office, Oirot Autonomous Oblast
(Kosh Agach Branch Office)

C. The All-Union Soviet Wool-Procurement Corporation (Soyuzzagot-sheersty)

1. Status

The All-Union Soviet Wool-Procurement Corporation is

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directly under the jurisdiction of the People's Commissariat of Light Industry. It is an exclusive agency to supply materials to the woolen-cloth industry. It imports the entire sheep-wool production of Outer Mongolia.

2. Organization

The Corporation consists of production department, economic-planning department, purchasing department, sales department, finance department, personnel section and general affairs section.

3. Supervisory Organ

The corporation is under the jurisdiction of the People's Commissariat of Light Industry. However, the People's Commissariat of Foreign Trade supervises the import of sheep wool.

The chairman of the corporation is Ya V Kublanov and vice-chairmen are R G Zameli and A li Baikov.

4. Location: 9 Rajin Street, Moscow
Telephone: 12-40

D. Transportation for Mongolian Trade

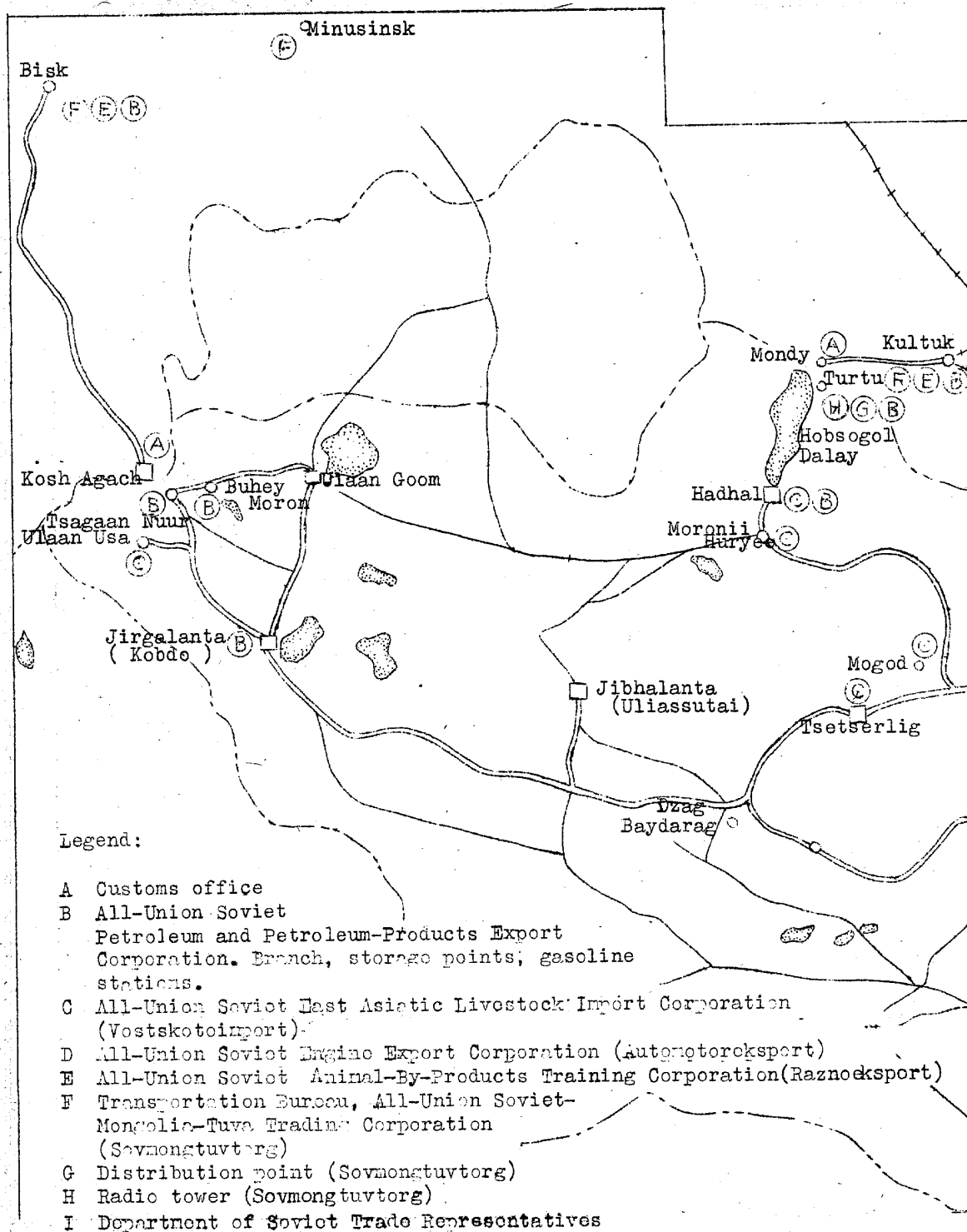
1. Transportation for Mongolian trade is handled exclusively by the Transportation Bureau of the All-Union Soviet-Mongolia-Tuva Trading Corporation.

2. Other freight is handled from the first part of April to the middle of October by the Selenga Water-Transport Bureau of the Central Supervisory Bureau for Eastern Rivers, under the People's Commissariat of Water Transport (separated from the East Siberian Water-Transport Bureau in 1933). The Selenga Water-Transport Bureau is located in Ulan Ude.

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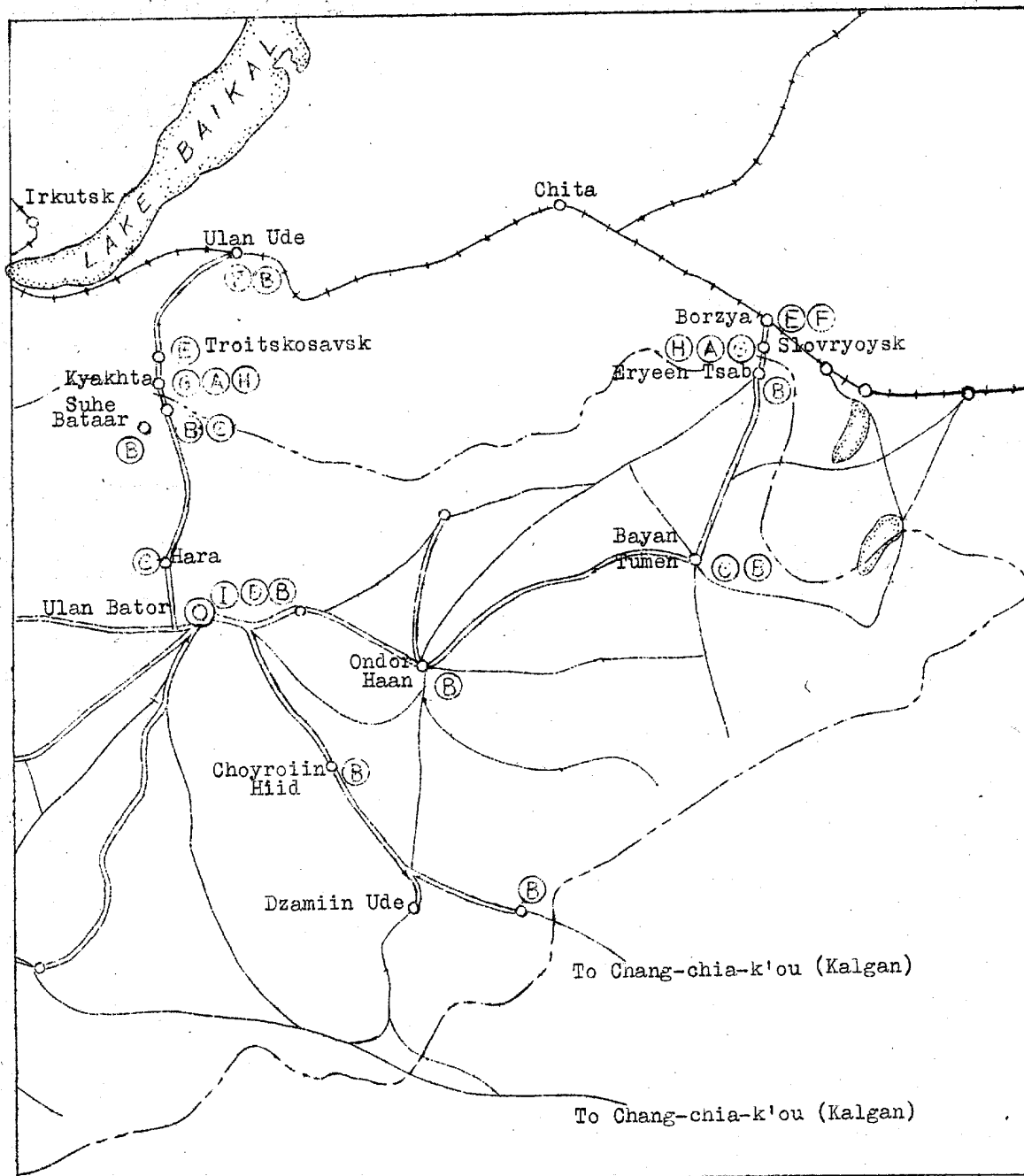
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IN OUTER MONGOLIA AND ADJACENT AREAS



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